

Hart Schaffner & Marx

ANNUAL REPORT FOR 1969

HART SCHAFFNER & MARX

Corporate office:
36 South Franklin Street, Chicago, Ill. 60606.

Board of Directors

Lee S. Bickmore
Paul A. Conley
Jerome S. Gore
John D. Gray
Arthur Gunzberg
Walter M. Heymann
Walter B.D. Hickey, Sr.
Roger Hull
Burton B. Ruby
Joseph Halle Schaffner
Elmer Schlesinger, Jr.
Clay E. Steele
Harry L. Wells
James K. Wilson, Jr.
Robert J. Witt

Corporate Officers

John D. Gray, *President and Chief Executive Officer*
Jerome S. Gore, *Executive Vice President*
James K. Wilson, Jr., *Executive Vice President*
Mario Ciucci, *Senior Vice President*
John R. Meinert, *Senior Vice President*
Richard L. Barker, *Vice President and Comptroller*
Frank J. Culhane, *Vice President and Treasurer*
Richard W. Garbe, *Vice President and Secretary*
William W. Rowlette, *Vice President*
William J. White, *Vice President*

TRANSFER AGENTS

The First National Bank of Chicago, Chicago, Ill. 60690.
Bankers Trust Company, New York, N.Y. 10015.

REGISTRARS

Continental Illinois National Bank and Trust Company of Chicago, Chicago, Ill. 60690.

Chemical Bank New York Trust Company, New York, N.Y. 10015.

New York City sales offices for manufacturing divisions:
1290 Avenue of the Americas, New York, N.Y. 10019
(except Robitshek-Schneider at
390 Fifth Avenue, New York, N.Y. 10018,
and Craigmore, Chicago only).

DIVISIONS

Hart Schaffner & Marx Clothes

36 South Franklin St., Chicago, Ill. 60606.
William Mendelsohn, *President*
9 factories: Chicago (4), Rock Island (2) and Joliet, Ill.; Rochester, Ind.; and Chaffee, Mo.

Hart Schaffner & Marx Retail Stores

36 South Franklin Street, Chicago, Ill. 60606.
Robert J. Witt, *President*

Hickey-Freeman Co., Inc.

1155 Clinton Avenue North, Rochester, N.Y. 14601.
Walter B. D. Hickey, Sr., *President*
6 factories: Rochester (2), Buffalo, East Rochester, Hornell and LeRoy, N.Y.

Jaymar-Ruby, Inc.

209 West Michigan Boulevard, Michigan City, Ind. 46360.
Jack M. Ruby, *Chairman of the Board*
Burton B. Ruby, *President*
8 factories: Michigan City (2) and East Chicago (2), Ind.; Anniston and Russellville, Ala.; Elizabethtown, Ky.; and Rector, Ark.

M. Wile & Company, Inc.

67-91 Goodell Street, Buffalo, N.Y. 14240.
Arthur Gunzberg, *President*
4 factories: Buffalo (3) and Dunkirk, N.Y.

Johnny Carson Apparel, Inc.

67-91 Goodell Street, Buffalo, N.Y. 14240.
Johnny Carson, *President*

Gleneagles, Inc.

Gleneagles Court, Baltimore, Md. 21204.
Charles R. Lamm, *President*
2 factories: Baltimore and Bel Air, Md.

Robitshek-Schneider Company

110 North Fifth Street, Minneapolis, Minn. 55403.
Louis Gross, *Chairman of the Board*
Arnold Rubenstein, *President*
2 factories: Minneapolis and Chisholm, Minn.

Craigmore Clothes, Inc.

227 South Seeley Avenue, Chicago, Ill. 60612.
A. Robert Lauter, *President*

HIGHLIGHTS

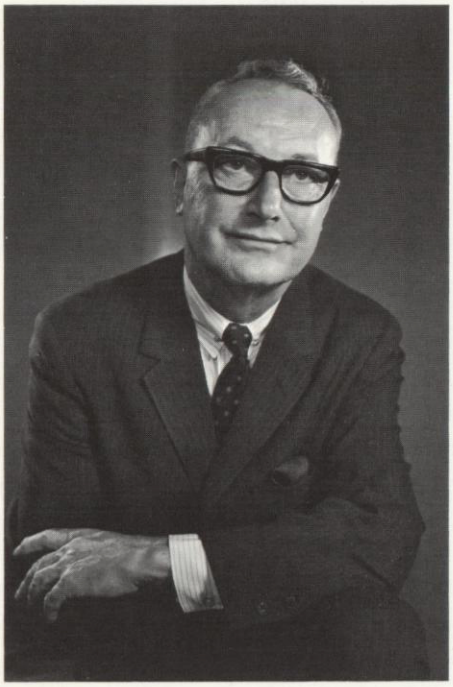
	YEAR ENDED NOVEMBER 30,		
	1969	1968	1967
Operating			
Net sales	**$370,130,000**	$333,805,000	$287,948,000
Earnings before taxes	**32,081,000**	30,727,000	25,312,000
Net earnings	**15,820,000**	14,908,000	13,458,000
Average shares outstanding —common shares and common share equivalents	**8,463,000**	8,050,000	7,809,000
Earnings per share	**1.87**	1.85	1.72
Earnings per share—fully diluted	**1.83**	1.76	1.68
Dividends per common share	**.80**	.73	.67
Financial			
Working capital	**147,338,000**	131,073,000	99,357,000
Additions to property and equipment—net	**13,434,000**	9,737,000	7,468,000
Depreciation	**5,067,000**	3,951,000	3,175,000
Long-term debt	**50,426,000**	53,564,000	30,409,000
Shareholders' equity	**141,466,000**	114,965,000	99,287,000
Shareholders' equity per share	**16.25**	14.25	12.77
Other			
Number of employees	**19,500**	18,800	17,300
Number of shareholders	**5,600**	5,100	4,700
Number of retail stores	**229**	197	156



Blazers are a popular casualwear item today, especially the six-button double-breasted model. This one is by Graham & Gunn, Ltd.

All amounts have been restated to reflect acquisitions on a pooling-of-interests basis. All per share figures reflect the 3-for-2 stock split effective February 3, 1969.

LETTER FROM THE PRESIDENT



To our shareholders:

Your Company, operating in a most favorable economic climate, has increased sales and profits for nine consecutive years and for the last seven years has attained new records each year. The 1969 results were accomplished in the face of the government's determined efforts to control the inflationary forces in our economy. These efforts, which hopefully will be beneficial in the long run, are continuing to adversely affect consumer attitude toward investment and spending.

This was another year of growth and planning for the future progress of your Company. The retail division was expanded by the opening of the largest number of branch stores in the history of Hart Schaffner & Marx. Twenty-three new stores were opened in 20 metropolitan areas.

Sales for the fiscal year ended November 30, 1969, were $370,130,000, an 11 per cent improvement over 1968's $333,805,000. Net earnings increased six per cent to $15,820,000 from $14,908,000. The manufacturing and retail divisions each contributed to the increase in profitability.

The Company also achieved a new high in earnings per share both on a primary basis of $1.87 vs. $1.85 in 1968 and on a fully diluted basis of $1.83 compared to $1.76 in 1968, a gain of seven cents per share. The fully diluted basis is more comparable because the Company increased its outstanding shares by approximately 600,000 shares. This increase in shares outstanding resulted from the shares issued for the convertible debentures called in May, 1969. According to current accounting practice, these shares are considered as though they were outstanding in both years, in reporting fully diluted earnings per share.

Hart Schaffner & Marx is continuing negotiations with the Justice Department to settle the anti-trust complaint filed in November, 1968, which sought divestiture of 44 retail store locations and to enjoin the Company from further acquisitions of men's clothing stores. If the complaint is compromised, the Company will no doubt be required to divest itself of a certain number of retail acquisitions over a period of years. If a settlement is accomplished on this basis, the growth and the profitability of the Company would not be affected. In the opinion of your management, the proceeds from any divestiture could be as profitably or more profitably reinvested by opening new stores in shopping centers. It should be noted that your Company has more opportunities to establish new retail stores in shopping centers than there is capital available at the present time to take advantage of these offerings. If the complaint cannot be settled equitably, then litigation will continue. Your management still firmly believes that the complaint was unjustified and hopefully that this will be proved if it is necessary to continue litigation.

The retail division volume, including leased department sales, exceeded $250,000,000 in 1969. The Company now owns and operates 229 stores in 73 U. S. metropolitan areas, including 10 women's apparel stores acquired in 1969. Chas. A. Stevens, with five women's specialty stores in the Chicago area, and deJong's with two women's stores in Evansville, Indiana, were acquired for stock on a pooling-of-interests basis and, therefore, are included in prior years' figures. J. P. Allen, with three women's specialty stores in the Atlanta area, was purchased in May, 1969. These 10 stores added over $30 million in sales annually to the women's apparel division.

Craigmore Clothes was acquired in 1969, and this manufacturing division located in Chicago supplies suits and sport coats to Sears, Roebuck & Co. Several other manufacturing divisions expanded or improved their facilities and increased productive capacity. Total annual sales of the manufacturing divisions, including shipments to our retail stores, amount to over $180,000,000.

An important development in your Company was the establishment of Johnny Carson Apparel, Inc. This majority-owned subsidiary of M. Wile & Company, a division of Hart Schaffner & Marx, has Johnny Carson as its president. This com-

pany will merchandise a complete wardrobe of Johnny Carson apparel in the popularly priced field. This is a most exciting development and affords an opportunity to take advantage of the rapidly growing young men's market. Johnny's nightly television show has a viewing audience of approximately 10 million. His charm, wit and fine appearance are widely recognized and the potential for merchandising the Johnny Carson name is apparent.

Another significant development was the establishment of the Austin Reed of Regent Street clothing line. Suits, sport coats and top coats were offered in a carefully selected number of our retail stores with remarkable results. The distribution of this merchandise under the Austin Reed of Regent Street name is constantly being expanded, and we anticipate continued growth in the sale of these products.

Two new directors were elected during 1969, Burton B. Ruby, president of Jaymar-Ruby, and Arthur Gunzberg, president of M. Wile. Another director, James K. Wilson, Jr., formerly president of the Hart Schaffner & Marx Clothes Division, was elected an executive vice president of the corporation. Mr. Wilson was succeeded by William Mendelsohn who joined the firm in April, 1969, as division president.

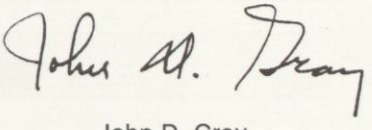
In December, two other promotions were made at the corporate level. John R. Meinert was elected senior vice president of administration. He formerly was vice president and comptroller and was succeeded in this position by Richard L. Barker who recently joined the firm. Mr. Barker was with Price Waterhouse & Co. for 10 years and was most recently assistant controller for Household Finance Corp. Mario Ciucci also was promoted from vice president to senior vice president. William White, who joined your Company as a trainee from the Harvard Business School in 1963, was elected corporate vice president in January, 1970.

In forecasting the future growth of your Company, it is our objective to achieve a half billion dollars in sales in the early 1970's with the long-range goal of a billion dollars in sales by the end of the decade. We expect that our profits will keep pace with the increase in sales. These objectives are predicated on economic predictions that there will be continued rapid increase in real personal income and that well over half of the families will enjoy earnings of $10,000 or more a year during the latter half of this decade. An increasing proportion of consumers will be engaged in occupations for which the apparel your Company manufactures and sells would be appropriate and which they would be able to afford. The rising affluence of the consumer dramatically enlarges the market for your Company's quality products.

Hart Schaffner & Marx has exceptional growth potential. There are opportunities to acquire other manufacturing facilities which would not compete with divisions presently in operation. There are unlimited opportunities for opening stores in desirable locations. Additional women's specialty stores can be acquired. In addition, our present manufacturing facilities can be expanded. As was mentioned previously, Johnny Carson Apparel, Inc., offers exciting opportunities. The possibility of licensing arrangements is being actively investigated. There are excellent opportunities for expansion overseas, and we hope to announce some affiliations before the close of the year.

The most important asset we have in our Company is the 19,500 employees who have been carefully trained to produce and distribute our products. They have an abiding interest in the welfare of our Company and their efforts and accomplishments are greatly appreciated. The directors join with me in expressing our deepest appreciation to them.

Very truly yours,



John D. Gray
President

February 27, 1970

10 YEARS OF GROWTH (1960-1969)

During the past decade your Company broadened its spectrum of products and created multiple brands to widen its distribution in each market. The Company:

- Entered the higher priced ranges (Hickey-Freeman Co.).
- Expanded in the popularly priced ranges (M. Wile and Company, Johnny Carson Apparel, Inc., and developed Austin Reed of Regent Street label).
- Invested abroad by acquiring an 11.6 per cent interest in Austin Reed, Ltd., Great Britain retailer-manufacturer.
- Produced moderately-priced clothing for department store chains (Craigmore).
- Created two new labels in the Hart Schaffner & Marx Clothes Division (Sterling & Hunt, Graham & Gunn, Ltd.).
- Added rainwear (Gleneagles, for men, Chandelle, Ltd., for women).
- Entered the casual outerwear field (Great Western by Robitshek-Schneider).
- Created Fashionaire for sale of career apparel.
- Expanded its role in the casual slacks market (Jaymar-Ruby, Inc.; developed Thorngate, Ltd., products, and the Jack Nicklaus line).

M. WILE AND COMPANY
Don Richards
Country Casuals
Suits and sport coats

JOHNNY CARSON APPAREL, INC.
22 items of coordinated clothing and furnishings

CRAIGMORE CLOTHES, INC.
Suits and sport coats

GLENEAGLES, INC.
Men's weathercoats and golf jackets
Chandelle, Ltd.
Women's coats by Jean Louis

HART SCHAFFNER & MARX CLOTHES
Hart Schaffner & Marx
Society Brand
Sterling & Hunt
Graham & Gunn, Ltd.
Suits, sport coats, slacks, outercoats and formal wear
Jack Nicklaus
Blazers and slacks
Thorngate, Ltd.
Sport slacks
Fashionaire
Men's and women's career wear

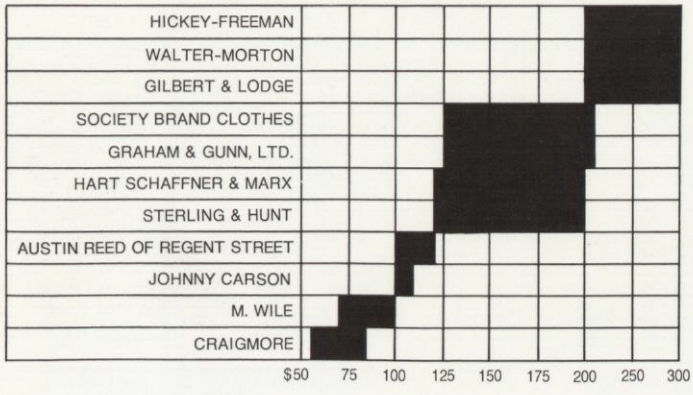
AUSTIN REED OF REGENT STREET
Suits, sport coats, slacks and outercoats

HICKEY-FREEMAN CO., INC.
Hickey-Freeman
Walter-Morton
Gilbert & Lodge
Suits, sport coats, slacks, outercoats and formal wear

JAYMAR-RUBY, INC.
Jaymar-Ruby
Sansabelt
Cary Middlecoff
Estévez for Jaymar
Sport and dress slacks and walk shorts
Silver Mfg. Co.
Silver/Gulf Stream
Securo Slax
SelfSizer
Sport and dress slacks and walk shorts

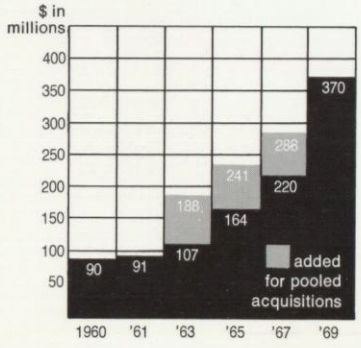
ROBITSHEK-SCHNEIDER
Great Western
Men's jackets, car coats, casual coats and coordinated knitwear

Retail Suit Prices

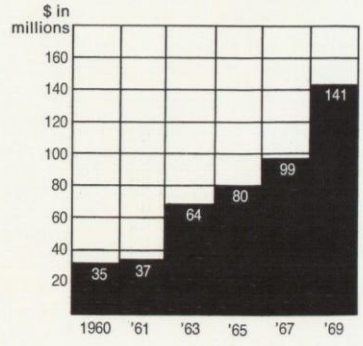


Year Ended Nov. 30
Net Sales *(in thousands)*
Earnings Before Taxes *(in thousands)*
Net Earnings *(in thousands)*
Earnings Per Share
Cash Dividends Per Share
Shareholders' Equity
Total *(in thousands)*
Per Share

Net Sales: Up 312%



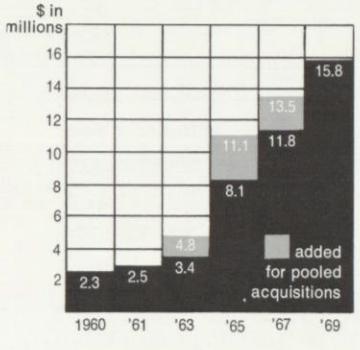
Shareholders' Equity: Up 300%



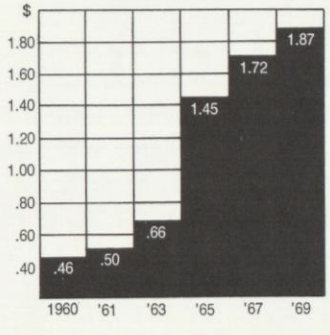
1969	1968	1967	1966	1965	1964	1963	1962	1961	1960
$370,130	$333,805	$287,948	$265,729	$241,106	$211,161	$187,968	$177,470	$ 90,737	$ 89,905
32,081	30,727	25,312	25,040	20,656	13,999	10,140	8,810	4,613	4,986
15,820	14,908	13,458	13,127	11,136	7,118	4,817	4,220	2,509	2,288
1.87	1.85	1.72	1.69	1.45	.95	.66	.58	.50	.46
.80	.73	.67	.53	.41	.36	.31	.25	.21	.20
141,466	114,965	99,287	89,416	80,387	70,438	64,430	61,315	36,963	35,461
16.25	14.25	12.77	11.64	10.52	9.44	8.85	8.51	7.38	7.11

Figures for all years have been restated for all poolings-of-interests, except 1960 and 1961. All per-share statistics have been adjusted to reflect a 2-for-1 stock split March 31, 1960, a 5-for-4 split February 8, 1963, a 2-for-1 split March 25, 1965, a 3-for-2 split January 14, 1966, and a 3-for-2 split February 3, 1969.

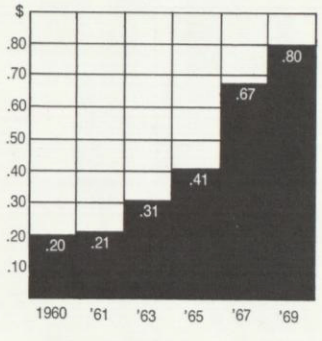
Net Earnings: Up 591%



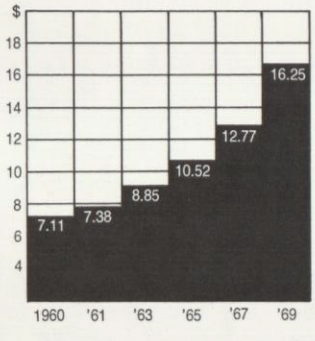
Earnings Per Share: $1.87 vs. $.46



Dividends Per Share: $.80 vs. $.20

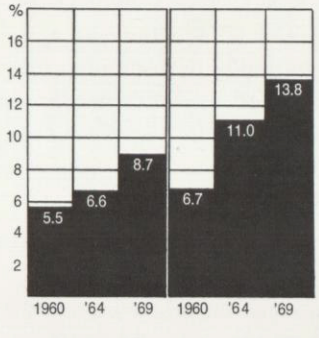


Equity Per Share: $16.25 vs. $7.11

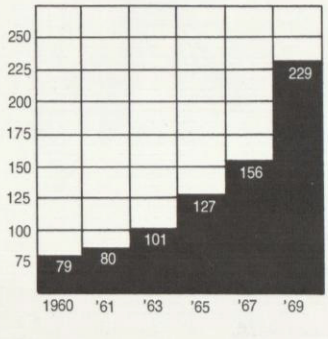


Earnings Before Tax % to Sales

Net Earnings % to Equity *(beg. of year)*



Stores Owned: 229 vs. 79



The manufacturing and retail divisions, while autonomous in their operation, are nonetheless constantly involved in a "pooling of interests" which achieves unusual economic stability for the Company.

The manufacturing-retailing combination assures the manufacturing divisions of substantial orders at an early date, making available a steady flow of production throughout the year and enabling raw material buyers to place early orders with confidence. Continuing counseling with Company stores keeps fabric buyers and designers aware of consumer color and style preferences and trends.

Independent stores also benefit from the joint manufacturing-retailing operations and the Company's expertise in retailing. These retailers receive the same merchandise at identical prices and enjoy equally prompt delivery of merchandise even though orders may be placed later.

Each of the manufacturing divisions benefits from the mutual exchange of new ideas in styling and marketing, new concepts in manufacturing technology, continuing research into untapped or potential areas of consumer needs, and often develop joint advertising programs.

An example of this inter-division cooperation was the establishment of two new brands—Austin Reed of Regent Street and the Johnny Carson label—which offer styles tailored by several divisions of the Company. Both are in the intermediate price range and will be carried by independent stores and retail subsidiaries.

The Company is associated with several famous personalities—Johnny Carson, Bob Hope, and golfers Jack Nicklaus and Cary Middlecoff. Hart Schaffner & Marx' long association with Bob Hope continued during 1969 when the celebrity was featured in magazine advertisements for products of several divisions. Jack Nicklaus helps design a special collection of blazers and slacks which bear his name. Jaymar-Ruby features a line of slacks with the Cary Middlecoff label.

The manufacturing divisions offer a comprehensive selection of men's styles which range from natural-shoulder models to advance-fashion concepts. The dominant trend in men's wear today—the shaped silhouette—influences these models, and a number are offered in double-breasted versions. Shaped styling features include a contouring of the waist, widening of lapels and pocket flaps, deepening of coat vents and (in some models) a slight flare in the trouser legs.

The designer concept has influenced many styles. Members of the International Design Guild of the Hart Schaffner & Marx Clothes Division have contributed important ideas to today's men's wear picture. Jaymar-Ruby became one of the first slacks manufacturers to enter the high-fashion field when it commissioned the well-known designer, Luis Estévez, to create special styles for a luxury/leisure collection.

The Company's divisions advertise in such leading publications as *Time, Newsweek, U.S. News & World Report, Look, The New Yorker, Esquire, Playboy, Gentlemen's Quarterly, Town & Country, Sports Illustrated, Ebony,* the *Wall Street Journal,* and the fashion supplements of the *New York Times* and *Los Angeles Times.*

In 1969 independent readership research revealed that Hart Schaffner & Marx had the top-noted advertisement in three magazines with two other ads ranking among the top five. In addition to magazine advertising, Jaymar-Ruby also has commercials on NBC-TV's "Today" and "The Johnny Carson Show" featuring Sansabelt slacks.

All manufacturing divisions offer their retailers a wide variety of partnership services. Included are suggested local newspaper advertisements and publicity, window displays, radio and color TV commercials, direct-mail, billboards, salesmen's aids and contests, and periodic workshops and seminars. The Company also shares with independent dealers the latest developments in such areas as clothing alterations, architectural design, accounting and systems procedures.



The Wexguard by Hickey-Freeman expresses forward fashion for the '70's—wider lapels and pocket flaps, shaped waist, deep center vent.



Society Brand's Torero 200 styling gives slim, bold emphasis to the lightweight Miracool polyester-worsted-mohair fabric.



Chandelle, Ltd., offers high-fashion coats and costumes by Jean Louis.



Great Western bush jacket tailored by Robitshek-Schneider division.



Jaymar-Ruby Sansabelt slacks are U.S.'s single best-selling dress slack.

MANUFACTURING DIVISIONS

New labels and new design concepts have created noteworthy advancements in the manufacturing divisions of the Company.

Austin Reed of Regent Street is a men's clothing label that has long been familiar to residents of the United Kingdom and Europe and, for the first time last fall, was tailored in the United States as well. Offered through the cooperation of Austin Reed, Ltd., of London in which the Company has an interest, the U.S. label is designed to capitalize further upon the growing 21-to-35 age market.

Austin Reed of Regent Street styles reflect an international influence. The premier collection, offered initially in Company-owned stores, features suits and sport coats. Outercoats will be added this year as well as weathercoats by the Gleneagles division and casual outerwear from the "Great Britishers" collection of the Robitshek-Schneider division. The early success of the line indicates great promise for the brand in the years ahead.

Johnny Carson Apparel, Inc., a majority-owned subsidiary of M. Wile and Company, is marketing a coordinated wardrobe of 22 different products, a number of them to be tailored by Company divisions and the remainder by outside manufacturers. M. Wile will produce suits, sport coats and formal wear. Weathercoats will be tailored by Gleneagles, slacks by Jaymar-Ruby and Silver Mfg. Co., and outerwear and coordinated knitwear by Robitshek-Schneider. The Johnny Carson merchandise will be available in the fall.

The addition of the Johnny Carson line will open a new avenue of marketing for M. Wile which now manufactures mainly private label clothing for individual stores. It will also help strengthen the Company's position in the popular-priced clothing category.

The Gilbert & Lodge brand was introduced during 1969 by the Hickey-Freeman division in certain Company retail subsidiaries and will be available for broader distribution in the future.

The Gleneagles division helped spark a dramatic revolution in men's rainwear during the past year by introducing dynamic new concepts in weathercoats and the merchandising and marketing programs to promote them.

In 1969 Gleneagles established design affiliations with European companies to bring continental fashion vitality to American-tailored weathercoats. In addition, new styles for men were created by Jean Louis, who enjoys a world-wide reputation for his designs, and by other members of the International Design Guild.

Gleneagles is also marketing the Chandelle, Ltd., brand of high-fashion women's coats styled by Jean Louis. The fashions are offered by some of the nation's most respected names in retailing.

The Robitshek-Schneider division, which tailors casualwear under the Great Western label, is presenting four new men's merchandise categories—the Johnny Carson and "Great Britishers" collections outlined above, a "Great Westerners" collection of jackets with a western flavor, and a "Great Scots" collection of authentic tartan jackets.

During 1969 Hart Schaffner & Marx applied for a patent on NOVA-SET®, a Company-developed process for stabilizing fabrics. NOVA-SET® insures more consistently sized fabric components resulting in garments with increased uniformity of shape and appearance and the elimination of puckering during pressing. The finished product maintains its size and shape and preserves a crisp look through long wear, dry cleaning and high humidity conditions. The NOVA-SET® process now used for Hart Schaffner & Marx clothes will be extended in the future to other manufacturing divisions.



Marquis II suit, by the International Design Forum for Sterling & Hunt, has double-breasted styling that typifies today's advance fashion.

Several manufacturing divisions increased production capacity during the past year by expanding factory facilities. In addition, the Company acquired Craigmore Clothes of Chicago with 250 employees. It operates as a separate division and tailors moderately-priced suits and sport coats for Sears, Roebuck & Co. A. Robert Lauter, previously an owner of the firm, now serves as divisional president.

Late in 1968 the Jaymar-Ruby division added a manufacturing plant in East Chicago, Indiana, to replace a smaller plant in the same area. In 1969 Jaymar-Ruby began operating a new manufacturing facility in Russellville, Alabama, which is considered a model plant in the industry. The division will expand its Michigan City facilities this year.

Last year Hickey-Freeman completed several plant expansion moves which increased production and improved delivery schedules. The expansion was facilitated by a personnel recruiting program begun several years ago to attract skilled foreign and domestic tailors.

The M. Wile division has completed installation of the most advanced computerized system for planning the processing and cutting of fabrics. This sophisticated system increases efficiency and similar installations are being developed in other manufacturing divisions.

Robitshek-Schneider this year will add manufacturing capacity by expanding its Chisholm, Minnesota, facility.

Johnny Carson Apparel, Inc., will market 22 different items of coordinated men's clothing tailored by divisions of the Company as well as outside manufacturers. Merchandise, which will carry the Johnny Carson label, will be available for the first time next fall.





This double-breasted weathercoat, from Gleneagles' new continental collection, was styled in Milan, tailored in the U.S.

RETAIL STORES DIVISION

The men's wear retailer is entering a dynamic new decade—one in which fashion excitement, coupled with dramatic growth in both population and personal income levels, is changing the face of the entire men's wear industry. As the market expands, the median age continues to drop. And already youth is exerting its influence on men's fashion. Tomorrow's consumer will not only be younger, he will be better educated, more knowledgeable, more selective, more prosperous and more fashion conscious than ever before.

The 1970's will not be a time for complacency. The division's current and future program of accelerated expansion of new store units in existing and new markets, along with acquisitions in the women's apparel field, is designed to meet the powerful challenge of the '70's. Hart Schaffner & Marx' position in its respective markets is and will continue to be one of quality, fashion and personalized service. It will also be one of innovation, excitement and infinite variety in its presentations.

Sales and earnings of the Retail Stores Division for the year reached a new record and contributed significantly to the earnings of the Company. Retail volume, including leased department sales, exceeded $250 million.

During 1969 the division continued its growth trend by opening stores in newly developed shopping centers and remodeling existing downtown stores. Expansion through the opening of 23 new branch stores was the largest in the history of the Company. In addition, 10 established women's specialty stores were acquired, bringing to 229 the total number of stores owned and operated.

The Retail Division now operates stores in 73 metropolitan areas of the nation—85 stores are downtown units, 121 are shopping center stores and 23 are neighboring suburban units. New office and apartment construction together with transportation improvements favor a continuing sales increase in downtown stores.



Blazer by Austin Reed of Regent Street typifies one of newest trends in men's wear—double-breasted styling with new wider lapels.

The 73 areas in which the retail stores are located contain approximately 63 per cent of the total population in all metropolitan markets of the United States. Hart Schaffner & Marx stores are concentrated in the metropolitan areas with the largest population and personal income bases. The major locations are primarily in markets which show above-average gains in income and population. Wallachs, the largest retail subsidiary, operates 21 stores in the New York City area and New England; Baskin, 11 stores in the Chicago area; Silverwoods, 18 in the Los Angeles area; and Hastings, 15 in the San Francisco area.

In addition to the acquisition of Chas. A. Stevens & Company, one of Chicago's leading women's specialty stores operating five units, the Company acquired two other highly respected women's specialty stores—J. P. Allen & Company, which was founded in 1908 and operates three stores in the Atlanta area, and DeJong's Incorporated, founded in 1896, with two stores in the Evansville, Indiana, area. Two new shopping center branches are planned for Chas. A. Stevens and one for J. P. Allen.

The Retail Division plans reflect the Company's confidence in the great potential for the new decade. Leases have been signed for 22 new shopping center stores to be completed during 1970. Four of these stores will be Wallachs units which will extend that store group's representation into the Florida market.

New branch stores are normally profitable during the first year of operation. Achievement of satisfactory earnings occurs during a growth period of about five years as initial expenses are absorbed and sales expand in the new areas. Thus, the opening of about 65 branch stores during the period 1968-1970 increases the earnings potential of the Retail Division in the 1970's.

The president of each subsidiary has wide authority to operate in a manner which best fits the needs and opportunities of his community. Each store president is backed up by a strong local team of merchandising, advertising, store control and operations executives. In addition, the Company maintains a staff of retail specialists for every phase of store operation including top financial and administrative personnel.



The interior/exterior modernization program of Hastings' Post Street store in San Francisco was completed last year.



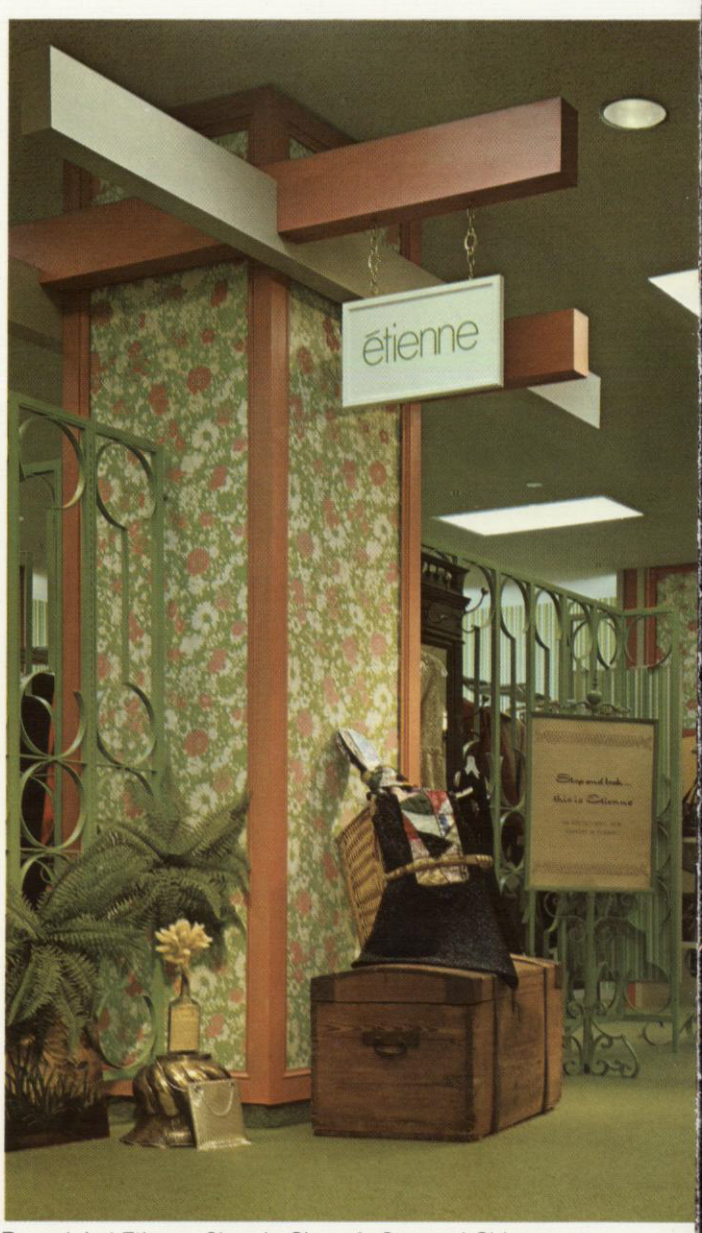
Capper & Capper, Ltd., of Chicago-Detroit opened a branch in the Somerset Fashion Mall in Troy, Michigan, during 1969.



Leopold Price & Rolle's new Town & Country Village store, Houston.



Root's new branch store in downtown Red Bank, N.J.



Remodeled Etienne Shop in Chas. A. Stevens' Chicago store.

New branch stores were opened in 1969 by:

- B. R. Baker of Cleveland in Shaker Heights.
- Capper & Capper, Ltd., of Detroit in Somerset Fashion Mall, Troy, Mich.
- A. M. Davison of Flint, Mich., in Eastland Mall Shopping Center.
- Field Bros. of New York City in Roosevelt Field Shopping Center.
- Hanny's of Phoenix in Biltmore Fashion Park.
- Kleinhans of Buffalo in Seneca Mall.
- Klopfenstein's of Seattle in the Anchorage (Alaska) Shopping Center.
- Leopold Price & Rolle of Houston in Town and Country Village Shopping Center.
- Liemandt's of Minneapolis in Rosedale Shopping Center.
- McLeod Watson & Lanier of Raleigh, N. C., in North Hills Shopping Center.
- Morris Levy of Savannah, Ga., in Oglethorpe Mall.
- Patterson-Fletcher of Fort Wayne, Ind., in Southtown Mall.
- Root's of Summit, N. J., in Red Bank, N. J.
- Rosenblatts of Portland, Ore., in Valley River Center, Eugene, Ore.
- Silverwoods of Los Angeles in Stonewood Shopping Center.
- Small's of Lansing, Mich., in Meridian Mall Shopping Center.
- Walkers of Columbus in Westland Shopping Center.
- Wallachs of New York in Smith Haven Mall, Smithtown, N. Y.; Nanuet Shopping Center, Nanuet, N. Y.; Willowbrook Shopping Center, Wayne, N. J.; and Prudential Center in Boston.
- Wicks & Greenman of Utica, N. Y., in New Hartford Shopping Center.
- Wolff's of St. Louis in West County Shopping Center.

Earnings: Consolidated net earnings set a new record for the seventh consecutive year. Earnings of $15,820,000 for 1969 were six per cent above 1968's $14,908,000. Earnings per common share and common share equivalent rose to $1.87 in 1969 from $1.85 in 1968. On a fully diluted basis per share earnings increased seven cents to $1.83 in 1969 from $1.76 in 1968. The fully diluted basis is more comparable because it fully reflects the 587,703 shares issued when the convertible debentures were called in May, 1969, as though these shares were outstanding in both years.

Sales: Consolidated sales hit a new high for the eleventh consecutive year, increasing 11 per cent or $36,325,000 to $370,130,000 in 1969 from $333,805,000 in 1968. Retail store sales increased to over $250,000,000 including leased departments. Sales of the manufacturing divisions increased to over $180,000,000 including sales to the Retail Stores Division. Consolidated sales do not include leased department sales or shipments by the manufacturing divisions to the retail subsidiaries.

Common Stock-Stock Splits: The additional shares resulting from a three-for-two stock split to shareholders of record February 3, 1969, were distributed on February 17, 1969. There was no change in the par value of $2.50 per share. At the annual shareholders meeting on April 7, 1969, the shareholders approved an increase in the number of authorized common shares from 15,000,000 of $2.50 par value to 25,000,000 of $2.50 par value for future stock splits, acquisitions, stock options and other corporate purposes. The shareholders also authorized 2,500,000 preferred shares to be issued in series, with the first series of 100,000 shares to be used for the acquisition of Chas. A. Stevens & Co., a Chicago area women's specialty store. In May, 1969, 100,000 shares of Series A Cumulative Convertible Preferred shares (convertible into 180,000 common shares) were issued for this acquisition.

Convertible Debentures: On May 12, 1969, the Company called for redemption all of its 4½% convertible subordinated debentures due 1992. All of the debentures were converted into common shares except $2,900 redeemed for cash.

Cash Dividends: The dividends paid to shareholders in 1969 totaled $6,679,000, 42 per cent of earnings. Four quarterly payments totaling 80 cents per share were paid to the holders of common shares in 1969 compared to 73 cents per share in 1968, an increase of 10 per cent. On January 14, 1970, the directors declared a quarterly dividend of 20 cents per share on the outstanding common shares.

Working Capital: Working capital increased during the year to $147,338,000 from $131,073,000. The bank credit agreement (described in Note 4 to the financial statements) was raised to $40 million from $30 million. During the first half of February, 1970, the amount borrowed under this agreement was $33 million. The principal changes in working capital position for the year are shown in the following table:

Funds came from:	
Earnings for the year	$ 15,820,000
Depreciation, a non-cash expense	5,067,000
Increase in long-term debt, exclusive of $16,667,000 debentures converted to stock or redeemed	13,529,000
Proceeds of stock options exercised	809,000
Other	1,153,000
	$ 36,378,000
And were used for:	
Payment of dividends	$ 6,679,000
Property additions, net	13,434,000
	$ 20,113,000
Increase in working capital	$ 16,265,000

Chicago, January 14, 1970

To the Shareholders
and Board of Directors of
Hart Schaffner & Marx

In our opinion, the accompanying consolidated balance sheet and related consolidated statements of earnings and retained earnings present fairly the financial position of Hart Schaffner & Marx and its subsidiary companies at November 30, 1969, and the results of their operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Price Waterhouse & Co.

HART SCHAFFNER & MARX
CONSOLIDATED BALANCE SHEET

ASSETS

	NOVEMBER 30, 1969	1968
CURRENT ASSETS:		
Cash	**$ 7,714,000**	$ 8,790,000
Accounts receivable, less allowance for doubtful accounts—$2,919,000 and $2,646,000, respectively	**67,348,000**	62,455,000
Inventories, at lower of cost or market	**120,250,000**	106,293,000
Prepaid expenses	**2,399,000**	1,877,000
Accumulated income tax prepayments	**1,947,000**	2,104,000
Total current assets	**199,658,000**	181,519,000
OTHER ASSETS:		
Investment in and advances to Austin Reed, Limited, at cost which approximates market	**1,071,000**	1,030,000
Cash value of life insurance and other investments	**1,637,000**	2,598,000
Unamortized debenture costs		349,000
	2,708,000	3,977,000
PROPERTIES, at cost:		
Land	**1,071,000**	1,042,000
Buildings and building equipment	**9,638,000**	9,157,000
Furniture, fixtures and equipment	**46,506,000**	38,907,000
Leasehold improvements	**27,014,000**	24,016,000
	84,229,000	73,122,000
Accumulated depreciation and amortization (Note 7)	**42,383,000**	39,643,000
	41,846,000	33,479,000
	$244,212,000	$218,975,000

(See accompanying notes to financial statements)

LIABILITIES

	NOVEMBER 30, 1969	1968
CURRENT LIABILITIES:		
Notes payable	**$ 4,860,000**	$ 2,786,000
Current maturities of long-term debt	**1,199,000**	922,000
Accounts payable	**25,755,000**	25,428,000
Accrued expenses	**12,909,000**	12,794,000
Federal and state income taxes	**7,597,000**	8,516,000
Total current liabilities	**52,320,000**	50,446,000
LONG-TERM DEBT, less current maturities:		
4⅞% note payable $600,000 annually to 1983	**7,800,000**	8,400,000
4½% convertible subordinated debentures (Note 10)		16,667,000
Notes payable to banks under credit agreement (Note 4)	**40,000,000**	27,000,000
Other debt, extending to 1985	**2,626,000**	1,497,000
	50,426,000	53,564,000
SHAREHOLDERS' EQUITY:—		
Preferred shares, $1 par value (Notes 9 and 10): Authorized 2,500,000; issued and outstanding, Series A, 94,440 in 1969, and 100,000 in 1968	**94,000**	100,000
Common shares, $2.50 par value (Notes 3 and 10): Authorized 25,000,000; issued and outstanding, 8,538,941 in 1969 and 7,895,494 in 1968	**21,347,000**	19,739,000
Capital surplus (Note 10)	**21,308,000**	5,563,000
Retained earnings (Note 4)	**98,802,000**	89,661,000
	141,551,000	115,063,000
Common shares in treasury, at cost— 3,223 in 1969 and 3,711 in 1968 (Note 10)	**85,000**	98,000
	141,466,000	114,965,000
	$244,212,000	$218,975,000

HART SCHAFFNER & MARX
CONSOLIDATED STATEMENT OF EARNINGS

	FISCAL YEARS ENDED NOVEMBER 30,	
	1969	1968
Net sales	**$370,130,000**	$333,805,000
Other income	**2,757,000**	2,364,000
	372,887,000	336,169,000
Cost of goods sold	**223,076,000**	203,088,000
Selling, administrative and occupancy expenses (Notes 5 and 6)	**108,925,000**	95,892,000
Depreciation and amortization (Note 7)	**5,067,000**	3,951,000
Interest	**3,738,000**	2,511,000
	340,806,000	305,442,000
Earnings before taxes	**32,081,000**	30,727,000
Taxes on income:		
Current	**16,104,000**	15,041,000
Deferred	**157,000**	778,000
	16,261,000	15,819,000
Net earnings for the year	**$ 15,820,000**	$ 14,908,000
Earnings per common share and common equivalent share (Note 2)	**$1.87**	$1.85
Earnings per common share, assuming full dilution (Note 2)	**$1.83**	$1.76

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

Balance at beginning of year:		
As previously reported	**$ 83,174,000**	$ 74,376,000
Add—Companies pooled in 1969 (Note 1)	**6,487,000**	6,071,000
As restated	**89,661,000**	80,447,000
Net earnings for the year	**15,820,000**	14,908,000
	105,481,000	95,355,000
Deduct:—		
Cash dividends paid:		
On preferred shares, $.98 per share	**95,000**	
On common shares, $.80 and $.73 per share, respectively	**6,509,000**	5,416,000
By pooled companies prior to acquisition	**75,000**	260,000
Premium paid by pooled company on redemption of minority interest		18,000
	6,679,000	5,694,000
Retained earnings at end of year	**$ 98,802,000**	$ 89,661,000

(See accompanying notes to financial statements)

HART SCHAFFNER & MARX
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1—PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements include the accounts of the Company and all of its subsidiary companies. In 1969, the Company acquired Chas. A. Stevens & Co. for 100,000 Series A cumulative convertible preferred shares and deJong's, Inc., and Craigmore Clothes, Inc., for 88,184 and 24,000 common shares, respectively. These acquisitions were poolings of interests. Accordingly, the 1969 consolidated financial statements include the results of operations of these companies for the entire year, and the consolidated financial statements for 1968 have been restated to include the accounts of these companies on a comparable basis. In addition, the Company purchased J. P. Allen & Co. in May 1969.

NOTE 2—EARNINGS PER SHARE:

A. Per common and common equivalent share:

Based on the weighted average number of common shares and common share equivalents outstanding during each year, adjusted to give retroactive effect to poolings of interests with other companies and a three-for-two stock split on February 17, 1969. Stock options and the Series A preferred shares have been included as share equivalents and in the case of stock options the share equivalents have been reduced by treasury shares which could have been purchased at average market prices with proceeds received had the options been exercised.

B. Per common share, assuming full dilution:

Based on factors set forth in (A) above, modified by (1) accounting for common shares issued in exchange for convertible debentures as if they had been issued at the beginning of the period, (2) adjusting net income to eliminate the net of tax effect of debenture interest, and (3) assuming, in the adjustment for stock options, that treasury shares would have been purchased at the year-end market price when higher than the average price.

NOTE 3—STOCK OPTION PLANS:

Under the Company's stock option plans, 401,106 shares of unissued common stock were reserved at November 30, 1969, for options granted or to be granted to officers and key employees. The changes in the number of shares under option during the year were as follows:

	Shares
Under option—November 30, 1968, as previously reported	324,362
Granted	96,510
Terminated	(9,487)
Exercised	(45,736)
Under option—November 30, 1969	365,649
Options exercisable—November 30, 1969	126,375

All options were granted at the highest selling price of the stock on the New York Stock Exchange on the dates of the grants. Options were exercised during the fiscal year 1969 at prices ranging from $7.07 to $31.50 per share, and options outstanding at the close of the year ranged in price from $15.44 to $39.33 per share.

NOTE 4—BANK CREDIT AGREEMENT:

The Company has a bank credit agreement, expiring July 31, 1972, with a group of banks under which it may borrow up to $40,000,000. The credit agreement also provides that the Company may at any time up to July 31, 1972, convert any portion of its interim borrowings to term loans which will mature in equal amounts in each of the four fiscal years starting in 1973. Interest rates under interim borrowings or term loans will be at prime commercial rates until July 31, 1971, and at ¼% above prime thereafter. Under this bank credit agreement, presently the most restrictive of the Company's debt agreements, the Company is required to maintain consolidated net working capital of $85,000,000, less any unused commitments. Further, $51,309,000 of consolidated retained earnings at November 30, 1969, was restricted as to the payment of cash dividends.

NOTE 5—LEASES:

At November 30, 1969, the Company and its subsidiary companies were parties to 300 separate noncancelable lease agreements, primarily covering retail store properties. Leases expiring in from 3 to 27 years require minimum annual rental payments of $8,478,000, and leases expiring within 3 years require minimum annual rental payments of $826,000. Certain of the leases provide for payment of taxes by the lessees and additional rental based on a percentage of sales in excess of stipulated minimums. The total rentals paid, including those under short-term cancelable leases, were $12,164,000 in 1969 and $10,488,000 in 1968.

NOTE 6—PENSION PLANS:

The Company and its subsidiary companies have a number of pension plans covering substantially all nonunion employees and some union employees. These plans are administered partly under trust agreements and partly through group annuity contracts with an insurance company. Except for several deferred profit-sharing plans of subsidiary companies, all Company contributions are based upon actuarial requirements. The principal plan requires contributions by employees and two of the other plans permit voluntary employee contributions. Total pension cost for the year ended November 30, 1969, was $1,953,000, which includes current service cost and, as to plans not fully funded, amortization of prior service cost at the rate of 10% per year. The companies' policy is to fund future and past service pension costs as accrued. The amounts funded under the plans exceed the actuarially computed total of vested benefits at November 30, 1969.

In addition to the above, the companies contribute amounts based on a percentage of the wages of other union employees to funds administered by the unions for combined employees' welfare and retirement benefits.

NOTE 7—DEPRECIATION POLICY:

The Company uses accelerated depreciation methods for a significant portion of its properties and the straight-line method for the remainder.

NOTE 8—LITIGATION:

In 1968, the United States Department of Justice filed a civil complaint under Section 7 of the Clayton Act requesting that the Company cease the acquisition of companies engaged in retailing "better priced" men's suits and dispose of 44 recently acquired locations. The Company believes it has not violated the antitrust laws; it has filed an answer and continues to oppose the complaint vigorously. Regardless of the outcome, the action will have no effect upon the operations of the Company for the fiscal year 1969.

NOTE 9—PREFERRED SHARES:

Preferred shares, all of which are voting and carry a par value of $1 per share, are issuable in series and have such rights, preferences and limitations as fixed by the Board of Directors at the date of issuance. The Series A preferred shares are each convertible into 1.8 common shares, are cumulative with an annual $2 dividend rate, provide for a liquidation price of $67.50 per share (an aggregate of $6,375,000 at November 30, 1969) and are callable on or after May 1, 1974, at their liquidation price.

NOTE 10—SHAREHOLDERS' EQUITY:

Changes in preferred and common shares and capital surplus for the year ended November 30, 1969, were as follows:

	Preferred shares		Common shares		Capital
	Shares	Par value	Shares	Par value	surplus
Balance at November 30, 1968, adjusted for three-for-two stock split distributed February 17, 1969, as previously reported			7,783,310	$19,458,000	$ 4,971,000
Shares issued in poolings of interests in 1969 (Note 1)	100,000	$100,000	112,184	281,000	592,000
Restated balance at November 30, 1968, including pooled companies	100,000	100,000	7,895,494	19,739,000	5,563,000
Stock options exercised			45,736	114,000	695,000
Conversion of all 4½% convertible subordinated debentures at rate of $28.33 per common share			587,703	1,469,000	15,069,000
Conversion of preferred shares at rate of 1.8 common shares for each preferred share	(5,560)	(6,000)	10,008	25,000	(19,000)
Balance at November 30, 1969	94,440	$ 94,000	8,538,941	$21,347,000	$21,308,000

488 treasury shares costing $13,000 were used as employee awards in 1969.

RETAIL STORES DIVISION

Robert J. Witt, *President*
Donald G. Carney, *Executive Vice President*
Charles A. DeChants, *Vice President*
Don A. Miller, *Vice President*
Matthew F. Shannon, *Vice President*
Peter J. Stelling, *Vice President*
Gene Coccodrilli, *Second Vice President*
Jerome Dorf, *Second Vice President*
Peter L. Meyer, Jr., *Controller*
Seymour Platt, *Assistant Treasurer*

229 Retail Stores and Their Executive Officers

J. P. ALLEN (3), Atlanta, Ga.—*Aaron Thal and Peter J. Stelling (women's specialty store)*

B. R. BAKER (3), Cleveland, Ohio—*Howard Rubin and Robert Cleary*

BASKIN (11), Chicago, Champaign-Urbana, Ill.—*Earl Graham and Melvin Weber*

RAY BEERS, Topeka, Kans.—*Philip C. Gibson and Ray Beers, Jr.*

BLACKBURN'S (2), Amarillo, Tex.—*Henry Brown*

CAPPER & CAPPER, LTD. (5), Chicago, Ill., and Detroit Mich.—*Robert A. Ratty*

A. M. DAVISON (2), Flint, Mich.—*John Cammarata*

DeJONG'S (2), Evansville, Ind.—*Merritt deJong and Hubert deJong (women's specialty store)*

FANNIN'S (2), Montgomery, Ala.—*Thomas H. Nelson*

FIELD BROS. (3), New York, N.Y.—*Bernard Lefenfeld*

JACK FOX & SONS, Hammond, Ind.—*Robert F. Orr and Cliff LaReau*

ARTHUR FRANK (2), Salt Lake City, Utah—*Simon Frank and Lawrence K. Goldsmith*

FRANK BROS. (2), San Antonio, Tex.—*Stanley Frank, Sr., and George W. Clarke*

GOLDBERG'S, Elkhart, Ind.—*William L. Waterman*

GRIEGER'S, Michigan City, Ind.—*William L. Waterman*

HANNY'S (8), Phoenix, Ariz.—*William O. Manzer*

HASTINGS (15), San Francisco-Sacramento, Calif.—*Paul D. Hagstrum*

HAYNES-WALLACHS (2), Springfield, Mass.—*Robert J. Witt*

JACK HENRY (2), Kansas City, Mo.—*Jack Henry and Ernest A. Dick*

HURWITZ (2), Longview, Tex.—*Sam Hurwitz*

J. O. JONES, Charlotte, N.C.—*William W. Watts*

KLEINHANS (4), Buffalo, N.Y.—*Paul G. Rohrdanz*

KLOPFENSTEIN'S (7), Seattle-Tacoma, Wash., and Anchorage, Alaska—*Hugh C. Klopfenstein*

KONNER'S, Paterson, N.J.—*Benn Konner and Jay Konner*

KUCHARO'S (2), Des Moines, Iowa—*Herman Kucharo and Nate Bernstein*

LANG'S (3), Akron Ohio—*Frank M. Mark*

LEOPOLD PRICE & ROLLE (6), Houston, Tex.—*Joyce Lehman and Doug Jones*

MORRIS LEVY (2), Savannah, Ga.—*Dick Shanks*

LEVY'S (3), Jacksonville, Fla.—*Charles E. Haupt*

LIEMANDT'S (3), Minneapolis, Minn.—*John A. Liemandt*

LITTLER, Seattle, Wash.—*A. A. Littler and Laurence Fry*

HEYWARD-MAHON (2), Greenville, S.C.—*Bernard M. Lipscomb*

THE MAN STORE, Asheville, N.C.—*Martin L. Belk*

MAY CLOTHING CO., Bay City, Mich.—*Harry C. Niedzielski and Val Lavin*

McLEOD WATSON & LANIER (2), Raleigh, N.C.—*G. Louis Schanze and William C. Burt*

McMANUS & RILEY (2), Albany, N.Y.—*William W. Reynders*

MERRITT SCHAEFER & BROWN (2), Austin, Tex.—*S. H. Ashford*

NATIONAL CLOTHING COMPANY (4), Rochester, N.Y.—*George Horwitz*

OLSON & VEERHUSEN (2), Madison, Wisc.—*Ivan W. Maguire*

PATTERSON-FLETCHER (3), Ft. Wayne, Ind.—*C. Dwight Shirey*

PORTER'S, New Orleans, La.—*Joseph S. Fishman and Raymond S. Fishman*

JACOB REED'S SONS (7), Philadelphia, Pa.—*E. J. Hesketh*

DICK RICHMOND (2), Miami, Fla.—*William Handelman*

ROOT'S (2), Summit, N.J.—*Perry Franklin Root*

ROSENBLATTS (3), Portland, Ore.—*T. Jackson Aycock*

SCHREIBER'S, Scranton, Pa.—*Harold Barnett*

SHULMAN'S, Norfolk, Va.—*Leroy Shulman, Lewis Shulman and Stan L. Smolen*

SILVERWOODS (18), Los Angeles, Calif.—*Stephen C. Bilheimer and Alex J. Cochrane*

SMALL'S (2), Lansing, Mich.—*George J. Clark and Norman W. Peterson*

STARK BROS. (3), Harrisburg, Pa.—*Kenneth R. Stark and Kenneth R. Stark, Jr.*

STEVENS (3), New Orleans, La.—*Raymond S. Fishman and Herman Goldman*

STEVENS, Jackson, Miss.—*William L. Featherstone*

CHAS. A. STEVENS (5), Chicago, Ill.—*John W. Sheldon (women's specialty store)*

STUCKEY'S (2), Rockford, Ill.—*Raymond H. Schmitz and Jerome Brotman*

F. R. TRIPLER & CO., New York, N.Y.—*S. S. Daily*

VAN STRAATEN'S (2), Durham, N.C.—*Harry J. van Straaten and Glenn E. Turk*

C. N. VICARY CO., Canton, Ohio—*Francis J. Sweeney*

WALKERS (5), Columbus, Ohio—*Paul F. Cockrell*

WALKERS (2), Dayton, Ohio—*Glen L. Waltrip*

WALLACHS (21), New York, N.Y., Connecticut, Massachusetts and New Jersey—*Robert J. Witt*

WASHER BROS., Ft. Worth, Tex.—*Donald W. Dickey*

WAYMIRE'S (2), Colorado Springs, Colo.—*C. C. Waymire and Jack Waymire*

WEATHERWAX, Sioux City, Iowa—*Carrol N. Smith and James E. Collman*

WICKS & GREENMAN (2), Utica, N.Y.—*James G. Capps and Arthur R. Scoones*

JAS. K. WILSON and GUS ROOS (6), Dallas, Tex.—*James K. Wilson, Sr., and Charles S. Huyck*

WOLF BROS. (3), Tampa, Fla.—*Fred L. Wolf*

WOLFF'S (5), St. Louis, Mo.—*Russell G. Bartow*

ZACHRY (4), Atlanta, Ga.—*John H. Brown and Cliff H. Stevens*

OFFICERS OF THE MANUFACTURING DIVISIONS

Hart Schaffner & Marx Clothes
William Mendelsohn, *President*
Bill M. Sansing, *Group Vice President*
Thomas J. Flavin, *Vice President*
Alfred Goldis, *Vice President*
Marcial Mancillas, *Vice President*
Walter Mysyk, *Vice President*
Donald D. Shorr, *Vice President*
Ralph N. Yeargan, *Vice President*
Mark J. Lies, *Controller*
Gene Aasen, *Second Vice President*
Albert Bean, *Second Vice President*
Thomas J. Cody, *Second Vice President*
Bernard S. French III, *Second Vice President*
E. O. (Bert) Hand, *Second Vice President*
Anthony F. Karson, *Second Vice President*
Philip Kass, *Second Vice President*
Alex Rinaldi, *Second Vice President*
Kurt Schieren, *Second Vice President*
Max A. Hart, *Assistant Secretary*
LeRoy R. Beckman, *Assistant to the President*
Hugh H. Gallarneau, *President—Society Brand Clothes*
Joseph G. Peine, *Vice President—Society Brand Clothes*

Jaymar-Ruby, Inc.
Jack M. Ruby, *Chairman of the Board*
Burton B. Ruby, *President*
Leonard W. Benowitz, *Executive Vice President*
Max Bukstein, *Vice President*
Jack R. Frank, *Vice President*
Hartley Job, *Vice President*
Edwin H. Levitin, *Vice President*
Nathan S. Balser, *Assistant Vice President*
Alf Djuvik, *Assistant Vice President*
Robert L. Plummer, *Assistant Vice President*
Robert L. Webb, *Assistant Vice President*
Barnard Levine, *Regional Vice President*
James R. Shibko, *Regional Vice President*
John Ward, *Regional Vice President*
Garson S. Gherman, *Secretary and Assistant to the President*
Harold Leinwand, *Treasurer-Controller*
Gerald Paige, *Vice President and General Manager—Silver Mfg. Co.*
Bernard S. Holzman, *Vice President, Silver Mfg. Co.*
Al E. Kahan, *Vice President, Silver Mfg. Co.*

Hickey-Freeman Co., Inc.
Walter B. D. Hickey, Sr., *President*
Paul S. Brescia, *Vice President*
Frank V. Bruno, *Vice President*
Thomas F. G. Hickey, *Vice President*
Walter B. D. Hickey, Jr., *Vice President*
Richard B. Lyons, *Vice President*
Morris M. Medved, *Vice President*
Donald B. Parish, *Secretary-Treasurer*

M. Wile & Company, Inc.
Arthur Gunzberg, *President*
Lawrence Gunzberg, *Executive Vice President and Treasurer*
Anthony Caine, *Vice President*
Harry Feldstein, *Vice President*
Norbert Huber, *Vice President, Secretary and Assistant Treasurer*
Manfred Klein, *Vice President*
Theodore Levy, *Vice President*
Arthur Matross, *Vice President*
Frank Norton, *Vice President*
George Odvarka, *Vice President*
Frederick Pepperday, *Vice President*
Edward Robbins, *Vice President*
Samuel Solomon, *Vice President*
Victor Jachimowicz, *Assistant Secretary*

Gleneagles, Inc.
Charles R. Lamm, *President*
Dean Graves, *Executive Vice President*
Isadore Caplan, *Vice President*
Alfred Oppenheimer, *Vice President*
Thomas J. Peddicord, *Vice President-Treasurer*
Tom Singleton, *Vice President*
Eleanor G. Tadder, *Secretary*

Robitshek-Schneider Company
Louis Gross, *Chairman of the Board*
Arnold Rubenstein, *President*
Marvin Baumel, *Vice President*
Marvin M. Tallerman, *Vice President*
Carl Sand, *Secretary-Treasurer*

Craigmore Clothes, Inc.
A. Robert Lauter, *President*
Sam Dicker, *Vice President*
M. P. Hershfield, *Secretary*
Lee McCutchen, *Treasurer*

Growing to meet the marketing needs of the 70's.

HICKEY
SOCIETY BRAND
FREEMAN
STERLING & HUNT
SILVER/GULFSTREAM
GLENEAGLES
GILBERT & LODGE
THORNGATE LTD.
WALTER
JAYMAR-RUBY
MORTON
FASHIONAIRE
CRAIGMORE
GREAT WESTERN
AUSTIN REED
CHANDELLE
OF REGENT STREET
M. WILE
JOHNNY CARSON
GRAHAM & GUNN LTD
JACK NICKLAUS
HART SCHAFFNER & MARX